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RETAIL PRICES AND BASIC WAGE RATES - DECEMBER QUARTER, 1961

CONSUMER PRICE INDEX

The Consumer Price Index measures quarterly for each capital city separately the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each capital city and for the weighted average, six capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each city and for the weighted average, six capitals.

During December quarter, 1961, the Consumer Price Index for Brisbane remained virtually unchanged. It rose only from 127.0 to 127.1, an increase of 0.1 per cent. compared with an increase of 0.7 per cent. during the previous quarter. For the year ended December, 1961, the index showed an increase of 1.6 per cent.

The Food Group index fell from 132.5 to 129.7 during the quarter, a decrease of 2.1 per cent. The main cause of this decrease was substantially lower prices for potatoes and eggs.

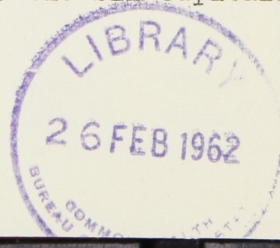
There was an increase of 0.3 per cent. in the Clothing and Drapery Group, the index rising from 116.3 to 116.7. This small upward movement was caused chiefly by higher prices for footwear and some items of summer clothing (mainly women's).

The Housing Group index of 140.2 for December quarter showed an increase of 0.4 per cent. over the figure of 139.7 for the previous quarter. Small increases were recorded for all parts of this group with the exception of municipal rates which remained unaltered.

In the Household Supplies and Equipment Group the index dropped by 0.1 per cent. from 113.0 to 112.9, chiefly because of decreases in the cost of some household appliances.

There was an increase of 2.5 per cent. in the Miscellaneous Group index resulting principally from higher tram and bus fares. There were also increased charges for shoe repairs and a decrease in private motoring costs. The relevant indexes were 130.7 in September quarter and 134.0 in December quarter.

Brisbane was the only capital city which showed an increase in the retail price level during the quarter, while the most significant decreases were recorded in Adelaide, Hobart, and Sydney. Percentage variations from September quarter, 1961, for each capital were:- Brisbane, +0.1; Melbourne, -0.2; Perth, -0.3; Sydney, -0.5; Hobart, -0.6; and Adelaide, -0.8. The weighted average decrease for the six capitals was 0.4 per cent.



COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 12s. to the male basic wage with corresponding adjustments to the female and juvenile rates and operated from 7th July, 1961.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing as a result of applications by interested parties. Following applications received and a general hearing, the Commission delivered judgment on 24th May, 1961, increasing the male rate by 4s. and the female rate by 3s., operative from 29th May, 1961. No application for adjustment to the basic wage was made consequent on the publication of the Consumer Price Index for June, September, or December quarters, 1961. An application from employers' organisations asking that the basic wage should not be reviewed "merely by reason of any change in the Consumer Price Index, at intervals of less than twelve months" was refused by the Commission in a decision handed down on 28th November, 1961. An application seeking an increase in the basic wage has been filed by employees' organisations but, to date, no hearing has been sought.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation ^a	Males	Females	Date of Operation
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
Brisbane ..	13 10 0	10 2 6	7.7.61	14 4 0	10 13 0	29. 5.61
Sydney ..	14 15 0	11 1 0	7.7.61	15 0 0	11 5 0	1. 2.62a
Melbourne ..	14 7 0	10 15 0	7.7.61	14 7 0	10 15 0	July, 61b
Adelaide ..	14 3 0	10 12 0	7.7.61	14 3 0	10 12 0	10. 7.61a
Perth ..	14 8 0	10 16 0	7.7.61	14 18 9	11 4 1	30.10.61
Hobart ..	14 14 0	11 0 6	7.7.61	14 14 0	11 0 6	July, 61b

a From the first pay period commencing on or after the date shown.

b Most Wages Boards adopted the Commonwealth rate during July, 1961.

S. E. SOLOMON
DEPUTY COMMONWEALTH STATISTICIAN
AND GOVERNMENT STATISTICIAN

320-330 Adelaide Street,
BRISBANE

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Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100)

Period			Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
Year -								
1952-53	..	..	100.0	100.0	100.0	100.0	100.0	100.0
1953-54	..	..	103.4	100.9	101.6	101.7	101.7	102.0
1954-55	..	..	104.1	101.3	104.7	102.5	102.0	102.9
1955-56	..	..	107.7	102.2	110.5	102.6	108.0	106.3
1956-57	..	..	111.5	104.7	118.4	106.5	118.9	112.0
1957-58	..	..	113.0	107.8	123.9	108.3	120.5	114.4
1958-59	..	..	119.8	109.4	128.4	109.0	123.6	118.2
1959-60	..	..	124.2	111.9	132.6	110.6	125.6	121.2
1960-61	..	..	130.4	115.1	137.6	111.3	129.5	125.4
Quarter -								
1960 - December	..		130.0	115.0	137.0	110.7	129.5	125.1
1961 - March	..		134.0	115.3	138.4	111.5	129.7	126.7
June	..		130.5	116.1	139.0	112.3	130.3	126.1
September	..		132.5	116.3	139.7	113.0	130.7	127.0
December	..		129.7	116.7	140.2	112.9	134.0	127.1
Percentage Increase or Decrease (-) on Previous Quarter								
Quarter -								
1960 - December	..		2.4	0.8	0.7	0.1	0.9	1.2
1961 - March	..		3.1	0.3	1.0	0.7	0.2	1.3
June	..		-2.6	0.7	0.4	0.7	0.5	-0.5
September	..		1.5	0.2	0.5	0.6	0.3	0.7
December	..		-2.1	0.3	0.4	-0.1	2.5	0.1

Consumer Price Index - Capital Cities
(Year 1952-53 = 100 for Each City and for Six Capitals)

Period		Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average, Six Capitals
Year -								
1952-53	..	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1953-54	..	101.6	102.0	102.0	102.3	103.0	105.0	102.0
1954-55	..	102.3	102.0	102.9	103.5	105.2	104.9	102.6
1955-56	..	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1956-57	..	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1957-58	..	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1958-59	..	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60	..	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61	..	122.1	125.9	125.4	122.9	121.2	127.5	123.8
Quarter -								
1960 - December		121.6	125.5	125.1	122.4	120.8	127.1	123.3
1961 - March	..	122.5	126.1	126.7	123.4	121.9	128.3	124.2
June	..	123.4	127.1	126.1	124.3	122.4	128.9	125.0
September		123.1	126.8	127.0	123.5	121.7	129.1	124.8
December		122.5	126.5	127.1	122.5	121.3	128.3	124.3